## NSC BHAPPEONED FOR Release 2000 (2012) CA-RDP79ROSSO AUGUSTON THE DEVELOPMENTS IN BOXES

with the ouster of General Nagib, the political situation in Egypt appears to be unchanged in at least two major aspects. Colonel Nasr and the Revolutionary Command Council are again back in top position, with renewed determination to carry out their "Revolution" without compromising with political factions. General Nagib is also back as a figurehead for the regime. His prestige is less; his position somewhat weakened. He is apparently ill. Nagib retains, however, considerable popular following.

Three new factors have been introduced into the TSI traction as a AUTH HR TOLATE TS SE TOLATE TO TS SE TOLATE TO TS SE TOLATE TO TS SE TOLATE TOLATE

First Approved For Releaset 2000/08/29 i GIARREP 198008004000300010008/5 return to civil government, and some of their leaders who had been under arrest were released. Most of the leaders of the ultranationalistic Waid and the religious nationalistic Moslem Brotherhood are now at liberty. Secondly, there has been a general increase of activity among both civilian and military extremists and opportunists as a result of the over-all loss of prestige by the RCC and by Nagib. And finally, more popular frustration has been generated by the postponement of a return to civil government.

The Nagib-Nasr contest represents the clash between the authoritarian Revolutionary Council and the popular forces demanding a return to parliamentary government. Until it is resolved there can be no political stability in Egypt and no hope for constructive developments. Approved For Release 2000/08/29:CIA-PDP 79R00890A000300010008-5

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At present no real or firm reconciliation between the two men seems Approved For Release 2000/08/29: CIA-RDP79R00890A000300010008-5 possible. At the moment Nagib appears on the decline physically and prestige-wise. Opposition elements, however, may continue to use him as a rallying point.

The rise of Nasr poses all the problems inherent in a military dictatorship. Nasr and the Revolutionary Council are unpopular and lack widespread support. Even in the armed forces certain groups, particularly among the cavalry and artillery, are believed opposed to continuation of the Revolutionary Council's rule.

If Nasr succeeds in establishing himself firmly and absolutely

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he will make a concerted

effort to reach an agreement with Britain on the Suez base. With full

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Approved For Release 2000/08 Charles 2000890A000300010008-5 control terrorist activities in the Suez Canal zone and thus restore order and permit Britain to approach the conference table.

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Settlement of the Suez question would provide the Revolutionary Council with an important political victory which it sorely needs.

Only then can the regime attempt to tackle the deep economic problems which confront it.

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